

### **REMARKS**

Reconsideration of the above-referenced application is respectfully requested in light of the foregoing amendments and the following remarks.

The Examiner has rejected independent claims 1 and 11, and dependent claims 2, 5, 6, 12 and 16, under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 4,908,761 to Tai ("Tai"). The other dependent claims have been rejected over Tai, either alone or in combination with other references, under 35 U.S.C. § 103(a). Applicant submits that the cited references neither teach nor suggest the unique combinations as now recited in the pending claims, and thus requests allowance of the present claims.

Applicant's independent claims 1 and 11, as amended, teach a unique method of promoting sales of a product carried in a store. This unique method includes the step of preparing a publication that includes collected information about the product incorporated within other non-product information attractive to customers. This step of incorporating product information within non-product information attractive to customers is a main reason for the success of Applicant's invention. Whereas in the past there have only been (i) publications having information attractive to customers and (ii) publications promoting products with coupons, no one has ever taught or suggested incorporating the product specific information within the non-product attractive information. For this reason, independent claims 1 and 11, as amended, are allowable over the cited references.

Applicant has described in its application numerous ways in which the step of incorporating product information within non-product information attractive to customers can be accomplished. For example, on page 11, lines 6-10, Applicant describes incorporating the product name within attractive non-product information such as recipes and menu shopping lists. Later on that same page, at lines 26-29, Applicant describes incorporating the product name and their benefits into attractive non-product information such as articles on topics of general interest, i.e., the benefits of physical exercise and good health.

This unique step has the result of increasing sales of the product by tying the product into reasons for needing such a product. When combined with the other steps of Applicant's invention, namely, including coupons for the product in the same publication, and then displaying the publication at the store for appropriation by customers, this invention provides the numerous benefits and advantages over the prior art as described in detail in the specification.

The cited references neither teach nor suggest the invention described above. The main reference cited by the Examiner, Tai, discloses a method for economically and expeditiously identifying the heaviest product users who regularly use coupons. His invention relates to placing customer identifying material on coupons so that upon their redemption, the issuers of the coupons will know which customers are using their coupons. It is not directed to the use of publications for promoting products at all, and merely mentions the fact that it is known to have direct mail and in-store delivery of coupons. Nowhere does Tai teach the use of publications that include collected information about a product incorporated within other non-product information attractive to customers.

Therefore, it is apparent that independent claims 1 and 11, as amended, are clearly distinguishable and patentable over Tai. Moreover, none of the other cited references fill the void left by Tai. U.S. Patent No. 5,143,362 issued to Doane et al. ("Doane"), teaches a method and apparatus for forming books to receive address information. Doane does not teach or suggest a method of promoting a product by preparing publications that include collected information about the product incorporated within other non-product information attractive to customers. The cited "Retailing" reference suffers from this same deficiency. Whereas the "Retailing" reference does teach the use of publications having customer attractive features, it nowhere teaches or suggests incorporating within such features product information, such as the names of particular products within recipes or within articles on related topics, to help promote those products.

Thus, it is respectfully submitted that none of the cited references either teach or disclose the invention claimed by Applicant in independent claims 1 and

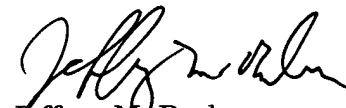
11, as amended, and are therefore in condition for allowance. As such, Applicant requests withdrawal of the Examiner's rejection of independent claims 1 and 11.

Claims 2-10 and 12-16 depend from and further limit independent claims 1 and 11, respectively, and are thus also patentable over the cited references for the reasons stated above. Therefore, Applicant also requests withdrawal of the Examiner's rejections of claims 2-10 and 12-16.

Applicant has now made an earnest attempt to place this application in condition for allowance. Besides amending claims 1 and 11 to more specifically recite the step of preparing a publication that includes product information incorporated within other non-product information attractive to customers, other amendments have been made to claims 1, 5 and 11, which amendments are intended to better describe Applicant's invention as opposed to overcoming any of the Examiner's rejections. For the foregoing reasons, Applicant respectfully requests an early notice of allowance of claims 1-16.

Should the Examiner deem that any further amendment is desirable to place this application in condition for allowance, the Examiner is invited to telephone the undersigned at the number listed below.

Respectfully submitted,

  
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Dated: 12/16/98

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# Retailing

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PRODUCTIVITY TEAM REPORT

# Retailing

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*Report of a Productivity Team  
representing British Retailing  
which visited the United States of America in 1952*

*Published for the Team by the  
ANGLO-AMERICAN COUNCIL ON PRODUCTIVITY  
U.K. Section: 21 Tothill Street, London, S.W.1 (WHitehall 1671)  
Copies may also be obtained from the Office of Technical Services,  
Dept. of Commerce, Washington, D.C. (Price on application)  
November 1952*

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### FOOD

- (1) Displays built up on shelves as in the U.K.
- (2) Refrigerated open top high humidity cabinets
- (3) Cabinets similar to (2) but without refrigeration.

Instead, a cold water fine spray is used at intervals, the theory being that a cold water spray saves loss of moisture, which might be 8 per cent. to 10 per cent. in a refrigerated cabinet, and also that the break-down is less rapid at home than with goods taken from a refrigerated cabinet.

For non-refrigerated goods various-sized bags for the customer's use are provided adjacent to the sales fixtures and scales are also there for her to weigh her purchases. They are weighed again and priced at the check-out counter.

#### CHOCOLATE AND SWEETS

There is invariably a mass display of these goods in great variety on a gondola fixture just in front of the check-out point. This position is chosen because, being under constant surveillance by the cashiers at the check-out points, it reduces the risk of pilferage and of goods being eaten before they are paid for.

Goods displayed include chocolate blocks and bars, chocolates in cartons (often with window) and sweets in transparent packets and drums. The smaller bars are usually sold in multiple packs of three or more, which affords some protection against pilferage as well as producing a larger sale. It was noted that a number of shops were selling small count lines by the box at a reduced price.

In some shops a much smaller selection of sweets, etc., was to be found in specially-constructed stands at the check-out points, where the goods were dispensed by the cashiers. This method (which is not strictly self-service) had largely been discontinued in favour of the mass gondola display described above.

#### ICE CREAM AND FROSTED FRUITS

It was noted in several high class shops that a specially-designed bag which has insulating properties is used in selling these goods.

#### WINES, SPIRITS AND BEER

These are important items and can be sold in self-service. Beer is usually packaged in six bottles or tin containers in a cardboard carrier, and very often was displayed in refrigerated cabinets.

#### MAGAZINES

Magazines are on sale near the check-out to interest youngsters, should the parent have to wait a moment there.

Tobacco, cigarettes, cosmetics, drugs and other small items are easily pilfered if arranged on the gondolas and are therefore displayed in a special fixture above or near to the cash register and sold by the operator at the time of checking out.

#### GIFT OR HOSTESS BASKETS

Several shops make up attractive baskets of

fruit and other merchandise, either as standard packings or to order, and it is understood that a very big business is done.

#### NON-FOOD GOODS

Food shops are turning more and more attention to non-food lines which, in the main, show a larger gross margin. Such goods as hardware, gadgets, stockings, drugs, cosmetics, paints, magazines, gramophone records, flowers and plants are now found in many food shops. An enquiry conducted by the Super-Market Institute among its members revealed that 84 per cent. of the companies were selling health and beauty aids; 65 per cent. were selling housewares; 51 per cent., magazines; 17 per cent., electric appliances; 11 per cent., gramophone records and 18 per cent., hardware.

Some carried a very extensive range of goods. For example, 14 per cent. of the shops covered by this enquiry were offering over 1,000 items in health and beauty aids!

New selling schemes are continually being tried and the trade papers are full of ideas for promoting sales.

#### IDENTIFICATION OF ASSISTANTS

It was observed that where assistants were likely to be in contact with customers they frequently had on their overalls a small disk giving the wearer's name. It is thought that this gives personality to the assistant, who is thus recognised by the customer by name.

#### REDUCED PRICE TABLE

We noted in several shops that near the check-out counter there was a special table where the previous day's cakes, bread and other perishable goods were sold off at lower prices; this created confidence in the freshness of the goods in the ordinary fixtures, gave those who wanted it the opportunity of buying cheap goods and was an effective means of disposing of slightly inferior goods without in any way deceiving the customer.

#### SALES PROMOTION

Even with self-service, sales promotion in the smaller shops is based largely on the personal contact of the proprietor with his customers and his knowledge of their requirements. New items of stock, price reductions and special items are brought to the notice of the customer by word of mouth and the need for special displays or publicity hardly exists. Manufacturers, of course, make the fullest use of newspapers, radio and television to promote sales and most shopkeepers take advantage of them.

In the multiples the position is quite different. Feature advertisements, sometimes occupying two pages, appear regularly in local newspapers. Competition, as has been said, is intense and firms set out to make the most attractive offers weekly.

There was little evidence of any real backing of these advertisements inside the stores, although supporting window posters were frequently seen. In one shop the "special" items for the week were lined up at the check-out point and the reduced prices prominently marked on them. This served two purposes—to remind the customer of her shopping opportunities, and to keep check-out staff informed of the temporary prices. This procedure made it unnecessary to alter the prices of stock items in the store lockers; the normal price remained on the package and the special price was displayed alongside. It seemed that mistakes could easily be made in the charging of these items but no signs of this were observed.

In some shops demonstrations were in progress and customers were invited to sample various products. The demonstrators were usually employed by manufacturers who were allotted space for a time by the proprietors. The most original and useful method of sales promotion was seen in one shop where a "hostess" was employed to mingle with customers and help them with their shopping. She claimed that she was experienced in the trade and having known the customers for years was able to discuss their wants with them and that, being also a good cook, she was able to suggest new and varied menus which could be prepared from items on sale.

One unusual and perhaps profitable form of sales promotion was through firms' own magazine publications. Besides carrying attractive advertisements of many household and food items of national repute these magazines contained items of interest to every member of the family. One copy seen included hints on dressmaking and needlework, home nursing, carpentry, furniture polishing, running a party, landscape gardening, furnishing and millinery as well as a number of stories for children and grown-ups. The whole was interspersed with a variety of interesting recipes to make up a total of nearly 180 pages.

### Labour utilisation

Labour utilisation in self-service shops presents a new problem, or at least calls for a quite different approach.

Many of the old techniques are unnecessary. Broadly speaking, workers in the self-service shop can be classified as follows: shop manager, department heads, cutters and packing staff, warehousemen, fixture fillers, check-out staff and porters. Between them they have to cover these duties:

- Supervision,
- Receiving, stacking and price-stamping dry groceries,
- Receiving, cleaning, preparing and pricing fruit and vegetables,

Receiving and storing pre-packed provisions (e.g., cheese, cooked meats, bacon, etc.),

Receiving, cutting, weighing, pricing, packing and storing cheese and cooked meats,

Receiving, cutting, weighing, pricing, packing and storing butcher's meat,

Moving goods from storage to the shelves and cabinets on the shop floor,

Checking out the goods, receiving the cash and packaging the customers' purchases,

General portering duties,

Housekeeping, i.e., maintaining absolute cleanliness and tidiness in the store.

As far as we could ascertain, self-service traders do not believe that it is necessary or desirable to appoint a floor walker or sales assistant. At most times there is someone on the shop floor attending to stock or filling fixtures. Customers can approach him if they need help. Some employees wear a badge marked "Information". The number of times, however, that each of us was approached by customers proved that in large shops someone is needed to whom the customers can turn for guidance.

One trader said positively that he did not want a salesman on the floor. He wanted his customers to feel at ease in the certainty that they would not be bothered.

Check-out cashiers are usually women. This is true even where the same rate of pay applies to men and women. Traders are finding that at this work women are more efficient. Women also work in the preparation rooms, weighing and packing provisions and meat, which is cut by men. In some shops women were pricing dry-groceries, although this and stock-keeping are usually undertaken by men.

### CHANGES IN SHOPKEEPING TECHNIQUE

With the advent of pre-packaging and self-service the art of being a grocer has changed. He is no longer required to be a high-speed cutter and weigher of bacon, cheese, etc., nor to have knowledge of a long range of goods and their prices.

The emphasis is now on display and organisation.

Knowledge by the shop staffs of the quality and uses of goods on display was not regarded as essential, but we consider that even in a shop where the customer serves herself such knowledge is important. We overheard customers asking questions about goods and being told that all the information was on the label!

Apart from the supervisory staff the meat cutter is often the only craftsman on the shop premises. Some skill and experience are required for preparing vegetables, provisions and meat, but the actual packaging of these commodities needs only accuracy and close attention to instructions.